

CollegeInvest WE HELP YOU GET THERE collegeinvest.org

A nonprofit division of the Colorado Department of Higher Education.

CollegeInvest Savings Benefits

- 4 unique Savings Plans with 31 investment options to meet the unique saving styles of Coloradans - from actively managed to FDIC insured.
- Money can be used at a public or private college, university or vocational school nationwide
- Contributions are Colorado state income tax deductible
- Savings grow federal and state tax free plus tax-free qualified withdrawals
- Beneficiary can be changed at any time
- No restriction on beneficiary or who can contribute
- High account balance limits
- Gift and Estate tax benefits
- Account owner is always in control of the money



Who is CollegeInvest

- Created in 1979
- Receives NO tax payer dollars
- Administers Colorado's 529 College Savings program
- Manages over \$4.8 billion in Assets Under Management
- Serve low-middle income families

Our Vision

Making a higher education financially attainable by saving

Our Mission

To be Colorado's trusted resource in breaking down the financial barriers to attaining a higher education through tax-advantaged college savings plans, scholarships and matching grants

About our 529 Plans

CollegeInvest administers four distinct 529 College Savings Plans representing over \$4.8 billion in college savings funds for over 300,000 families.

Scholars Choice

Managed by Legg Mason

- Sold through financial advisors
- Over \$3 billion in assets
- Fees are one of the lowest in nation for an advisor sold plan
- Ranked as one of top two 529 plans in nation for last 3 years by savingforcollege.com

Stable Value Plus

Managed by MetLife

- Insured program that protects principal and guarantees annual interest
- Over \$52.7 million in assets

SmartChoice

Managed by FirstBank

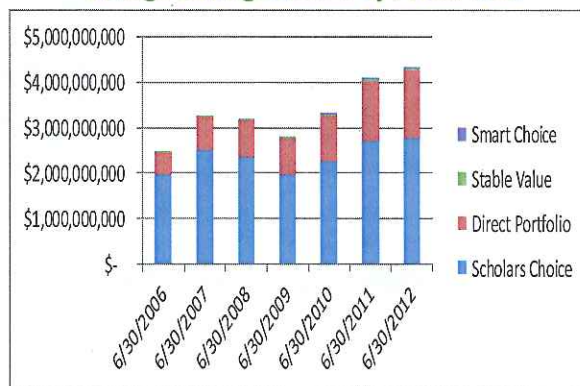
- FDIC insured
- Over \$23.6 million in assets

Direct Portfolio

Managed by Vanguard & Upromise

- Sold directly or through financial advisor
- Over \$1.7 billion in assets
- Ranked above average by Morningstar
- Passively managed funds keep fees low

College Savings Assets by Fiscal Year





Benefit to the State

- A Higher Education is critical to reducing unemployment.
- Children are 7 times more likely to attend college if they have a college savings account in their name.
- Finances are one of the greatest and most common barriers to enrolling and remaining in college.
- CollegeInvest helps Colorado families break down these financial barriers.
- For an increasing majority of college students, student loans are filling the financial gap, and record-setting borrowing is putting families economic future in a deep and precarious hole.
- Middle class families are accumulating student loan debt in greater numbers than any other segment of the population.

Paying for College is Hard

CollegeInvest helps make it a little easier.

A surprising 83% of Colorado parents expect their child to receive a scholarship to pay for their higher education.

The reality is only 10.6% of students receive non-athletic scholarships. Prospects for athletic scholarships are even lower, with a mere 2% of all high school athletes receiving scholarships.

Matching Grant Program

Designed to help middle to low-income families save even more, our Matching Grant program matches dollar-for-dollar up to \$2,500 saved over five years.

529 Scholarship

The CollegeInvest 529 Scholarship is designed to award scholarships to Colorado families who have saved for college but still need assistance, and are not Pell eligible. Each eligible student is awarded \$2,000 per school year, up to \$8,000 over four years.

The benefit of paying for college *before*, not *after*

A quick and simple analysis of the challenge of how to pay for college is this: You can pay *before*, *during* or *after*.

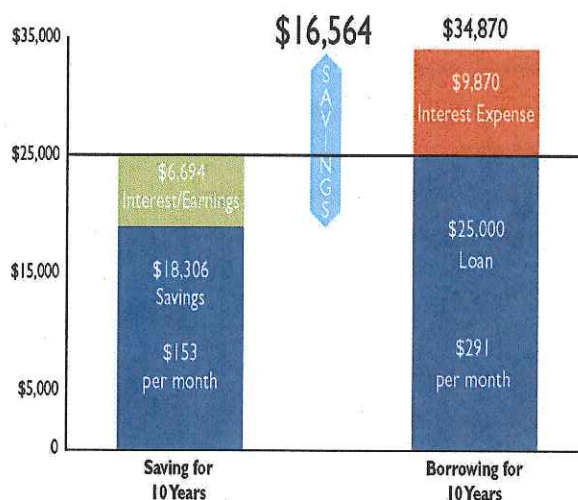
To meet the costs *during* a child's college years, for the vast majority of families, is simply not feasible.

To pay for college *after* means creating a burdensome debt load that can be difficult, if not impossible, for young adults to handle.

The difference in the actual cost of *saving* vs. *borrowing* is stunning, even without considering the added CollegeInvest tax benefits.

Saving vs. Borrowing for College

Start saving for college, and you could cut the cost of college nearly in half.



In this illustration, saving \$152.55 a month for 10 years would yield about \$25,000 assuming a 6% return. Borrowing the same amount would require 120 payments of \$290.58 each at the 6.8% Stafford unsubsidized interest rate plus a 1% loan fee of \$250. Total amounts are rounded to the nearest dollar. This hypothetical illustration does not reflect an actual investment or any taxes payable upon withdrawal. All results assume no withdrawals are made, and do not reflect any taxes or penalties that may be due upon distribution. Your investment will vary and may perform better or worse than these examples, which are for illustrative purposes only. A periodic investment does not assure a profit or protect against a loss in declining markets.

Important Considerations

To learn about CollegeInvest's 529 program, its objectives, risks, charges, expenses, limitations, restrictions and qualifications regarding the Plans' benefits and potential tax advantages, please read and consider carefully the Program Disclosure Statements (PDS) available at www.collegeinvest.org before investing. Also, check with your or your beneficiary's home state to learn if it offers tax or other benefits for investing in its own plan. Investments are not guaranteed by CollegeInvest, the State of Colorado, its agencies and may lose value, including principal amount invested. Administered and issued by CollegeInvest. CollegeInvest and the CollegeInvest logo are registered trademarks of CollegeInvest. Copyright © 2012 CollegeInvest.